

DOCUMENT NO. 35
NO CHANGE IN CLASS. 11

Approved For Release 2002/09/04 : CIA-RDP79R00890A000900050021-0

~~CONFIDENTIAL~~

25X1

25X1
NSC BRIEFING 1-21-80
DATE 1-21-80
REVIEWER: []

29 January 1958

CHANGES IN SOVIET AGRICULTURE

- I. Khrushchev has again proposed shaking up the Soviet system in his campaign to catch up with the West. Now he proposes a radical but gradual transformation of the Machine Tractor Stations (MTS)-- for many years the "stronghold" of economic and political control in the countryside. A. It is interesting that this change was recommended to various Soviet officials by members of the American Agricultural Delegation in 1955. This is another example of Khrushchev revamping outdated institutions and abandoning dogma for the sake of production.
- II. The Machine Tractor Stations have been in existence since 1930. They are state-owned centralized pools of agricultural machinery with operating personnel which serve the collective farms on a contract basis. (There are about 8,000 MTS'.)
 - A. Khrushchev now says "sell the machines to the collective farms." (MTS machinery is valued at nearly 7 billion dollars.)
 - B. He has ignored Stalin's warning in 1952 that such a move "could only retard our advance toward Communism" because it would transfer the tools of production away from the state.
- III. On the face of it, the change should result in more efficient farming. Agricultural costs will undoubtedly be reduced and increased production should also result.
- IV. Khrushchev is probably right in figuring that the MTS are no longer needed to maintain political control.

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

- A. During the past three years he has installed thousands of Communists as chairmen of the collective farms and has built up Party strength in the countryside.
- V B. ~~The change may,~~ ~~Such a switch,~~ however, may bring out the opposition of the remaining Stalinist die-hards, perhaps Suslov. It will be recalled that the last major change--the economic management reorganization--forced the Malenkov-Molotov group into the open.
- VI Another consequence is that the regime will be in a better position to determine whether the collective (cooperative) farms or the state (government owned) farms should predominate. There is good reason to believe that in the past Khrushchev has favored eventual conversion to complete state ownership.

~~CONFIDENTIAL~~